

Senate Study Bill 1086

SENATE/HOUSE FILE _____
BY (PROPOSED TREASURER OF
STATE BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the disposition of certain unclaimed property.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
3 TLSB 1236XD 82
4 av/gg/14

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1 1 Section 1. Section 22.7, Code 2007, is amended by adding
1 2 the following new subsection:
1 3 NEW SUBSECTION. 58. The information provided in any
1 4 report, record, claim, or other document submitted to the
1 5 treasurer of state pursuant to chapter 556 concerning
1 6 unclaimed or abandoned property, except the name and last
1 7 known address of each person appearing to be entitled to
1 8 unclaimed or abandoned property paid or delivered to the
1 9 treasurer of state pursuant to that chapter.
1 10 Sec. 2. Section 331.427, subsection 1, unnumbered
1 11 paragraph 1, Code 2007, is amended to read as follows:
1 12 Except as otherwise provided by state law, county revenues
1 13 from taxes and other sources for general county services shall
1 14 be credited to the general fund of the county, including
1 15 revenues received under sections 9I.11, 101A.3, 101A.7,
1 16 123.36, 123.143, 142B.6, 176A.8, 321.105, 321.152, 321G.7,
1 17 321I.8, ~~section 331.554, subsection 6, sections 341A.20,~~
1 18 364.3, 368.21, 423A.7, 428A.8, 430A.3, 433.15, 434.19, 445.57,
1 19 453A.35, 458A.21, 483A.12, 533.24, 556B.1, 583.6, 602.8108,
1 20 904.908, and 906.17, and the following:
1 21 Sec. 3. Section 331.554, subsections 6 and 7, Code 2007,
1 22 are amended to read as follows:
1 23 6. The amount of a check, other than a warrant,
1 24 outstanding for more than ~~one year~~ two years shall be
1 25 canceled, ~~and~~ removed from the list of outstanding checks,
1 26 ~~deposited to the account on which the check was written, and~~
1 27 ~~credited as unclaimed fees and trusts and is presumed~~
1 28 ~~abandoned pursuant to section 556.8. The treasurer shall~~
1 29 ~~maintain a list of the checks for one year after cancellation.~~
1 30 A person may claim the amount of the canceled treasurer's
1 31 check for a period of one year after cancellation upon proper
1 32 proof of ownership by filing a claim with the county auditor
1 33 treasurer of state as provided in chapter 556.
1 34 7. A warrant ~~or other evidence of the county's~~
1 35 ~~indebtedness~~ outstanding for more than ~~one year~~ two years
2 1 shall be canceled by the auditor and the amount of the warrant
2 2 shall be credited to the fund upon which the warrant was drawn
2 3 is presumed abandoned pursuant to section 556.8. A person may
2 4 file a claim with the auditor for the amount of the canceled
2 5 warrant within one year of the date of the cancellation, and
2 6 upon showing of proper proof that the claim is true and
2 7 unpaid, the auditor shall issue a warrant drawn upon the fund
2 8 from which the original canceled warrant was drawn ~~or other~~
2 9 evidence of the county's indebtedness by filing a claim with
2 10 the treasurer of state as provided in chapter 556. This
2 11 subsection does not apply to warrants issued upon drainage or
2 12 levee district funds or any fund upon which the county
2 13 treasurer has issued a warrant order or stamped a warrant for
2 14 want of funds.
2 15 8. An amount outstanding on a check, warrant, or other
2 16 evidence of the county's indebtedness that is presumed
2 17 abandoned as provided in subsection 6 or 7 shall be reported
2 18 and remitted to the treasurer of state by the county treasurer
2 19 on or before November 1 of the fiscal year ending on the
2 20 preceding June 30 that the obligation is presumed abandoned.

2 21 Sec. 4. Section 556.8, Code 2007, is amended to read as
2 22 follows:

2 23 556.8 PROPERTY HELD BY STATE COURTS AND PUBLIC OFFICERS
2 24 AND AGENCIES == ABANDONMENT.

2 25 1. All intangible personal property held for the owner by
2 26 any court, public corporation, public authority, agency,
2 27 instrumentality, employee, or public officer of this state, or
2 28 the United States, or a political subdivision of the state,
2 29 another state, or the United States, that has remained
2 30 unclaimed by the owner for more than two years after becoming
2 31 payable or distributable is presumed abandoned.

2 32 2. Notwithstanding any other provision of state law, an
2 33 amount outstanding on a check, warrant, or other evidence of
2 34 indebtedness of a county that has remained unclaimed by the
2 35 owner for more than two years from the date of issuance or
3 1 after becoming due and payable as determined by the county
3 2 treasurer pursuant to section 331.554, is presumed abandoned.

3 3 Sec. 5. Section 556.9, subsection 1, Code 2007, is amended
3 4 to read as follows:

3 5 1. All intangible personal property, not otherwise covered
3 6 by this chapter, including any income or increment earned on
3 7 the property and deducting any lawful charges, that is held or
3 8 owing in this state in the ordinary course of the holder's
3 9 business and has remained unclaimed by the owner for more than
3 10 three years after it became payable or distributable is
3 11 presumed abandoned. However, unpaid wages, including wages
3 12 represented by payroll checks or other compensation for
3 13 personal services owing in the ordinary course of the holder's
3 14 business that remain unclaimed by the owner for more than one
3 15 year after becoming payable are presumed abandoned. A rental
3 16 deposit, as defined in section 562A.6 or 562B.7, that has
3 17 remained unclaimed by the owner for more than two years after
3 18 becoming payable is presumed abandoned.

3 19 Sec. 6. Section 556.12, subsection 3, Code 2007, is
3 20 amended to read as follows:

3 21 3. The treasurer of state is not required to publish in
3 22 such notice any item of less than fifty one hundred dollars
3 23 unless the treasurer deems the publication to be in the public
3 24 interest.

3 25 Sec. 7. Section 556.12, subsection 4, Code 2007, is
3 26 amended by striking the subsection and inserting in lieu
3 27 thereof the following:

3 28 4. The treasurer of state may mail a notice to each person
3 29 listed in a report filed by the holder of unclaimed property,
3 30 at the last known address of that person if the treasurer
3 31 deems such notice to be in the best interests of that person
3 32 and has reason to believe that the address submitted by the
3 33 holder is sufficient to ensure that delivery of such notice
3 34 will likely occur.

3 35 Sec. 8. Section 556.13, subsection 1, Code 2007, is
4 1 amended to read as follows:

4 2 1. Except for property held in a safe deposit box or other
4 3 safekeeping depository, upon filing the report required by
4 4 section 556.11, the holder of property presumed abandoned
4 5 shall pay, deliver, or cause to be paid or delivered to the
4 6 administrator the property described in the report as
4 7 unclaimed, but if the property is an automatically renewable
4 8 deposit, and a penalty or forfeiture in the payment of
4 9 interest would result, the time for compliance is extended
4 10 until a penalty or forfeiture would no longer result.
4 11 ~~Tangible~~ At the direction of the treasurer of state, the
4 12 holder of tangible property held in a safe deposit box or
4 13 other safekeeping depository shall ~~not be delivered~~ deliver
4 14 the property to the treasurer of state ~~until one hundred~~
4 15 ~~twenty days at the same time as or after filing the~~ abandoned
4 16 property report required in section 556.11.

4 17 Sec. 9. Section 556.20, Code 2007, is amended to read as
4 18 follows:

4 19 556.20 DETERMINATION OF CLAIMS.

4 20 1. The ~~state~~ treasurer of state shall consider any claim
4 21 filed under this chapter and may hold a hearing and receive
4 22 evidence concerning ~~it~~ the claim. If a hearing is held, the
4 23 treasurer shall prepare a finding and a decision in writing on
4 24 each claim filed, stating the substance of any evidence heard
4 25 by the treasurer and the reasons for the treasurer's decision.
4 26 The decision shall be a public record.

4 27 2. If the claim is allowed, the ~~state~~ treasurer of state
4 28 shall make payment forthwith. The claim shall be paid without
4 29 deduction for costs of notices or sale or for service charges.
4 30 The treasurer or an employee thereof shall not be held liable
4 31 in any action for any claim paid in good faith pursuant to

4 32 this section. However, a claimant, attorney in fact, or
4 33 attorney or any other person representing a claimant to whom
4 34 such payment is made may be held liable to a person who proves
4 35 a superior right to the payment.

5 1 3. As a condition precedent to payment of any claim filed
5 2 under this chapter, the treasurer of state may require that
5 3 the claimant or owner of the unclaimed or abandoned property
5 4 furnish the treasurer with a surety bond containing terms and
5 5 provisions acceptable to the treasurer and issued by a
5 6 corporate surety authorized to do business in this state or
5 7 with such other form of indemnification and protection that is
5 8 determined by the treasurer to be acceptable and sufficient to
5 9 protect the treasurer and the state against any loss,
5 10 liability, or damage which may arise out of or result from the
5 11 payment of the claim by the treasurer. The claimant or owner
5 12 shall be responsible for all premiums, costs, fees, or other
5 13 expenses associated with any such surety bond or other form of
5 14 indemnification and protection required pursuant to this
5 15 subsection.

5 16 Sec. 10. NEW SECTION. 556.24A PUBLIC RECORDS.

5 17 1. The treasurer of state shall maintain a public record
5 18 of the name and last known address of each person appearing to
5 19 be entitled to unclaimed or abandoned property paid or
5 20 delivered to the treasurer pursuant to this chapter.

5 21 2. Notwithstanding any other provision of law, any other
5 22 identifying information set forth in any report, record,
5 23 claim, or other document submitted to the treasurer of state
5 24 pursuant to this chapter concerning unclaimed or abandoned
5 25 property is a confidential record as provided in section 22.7
5 26 and shall be made available for public examination or copying
5 27 only in the discretion of the treasurer.

5 28 Sec. 11. Section 562A.12, subsection 4, Code 2007, is
5 29 amended to read as follows:

5 30 4. A landlord who fails to provide a written statement
5 31 within thirty days of termination of the tenancy and receipt
5 32 of the tenant's mailing address or delivery instructions shall
5 33 forfeit all rights to withhold any portion of the rental
5 34 deposit. If no mailing address or instructions are provided
5 35 to the landlord within ~~one year~~ two years from the termination
6 1 of the tenancy the rental deposit ~~shall revert to is deemed~~
6 2 ~~abandoned under section 556.9 and the landlord and the tenant~~
6 3 ~~will be deemed to have forfeited all rights to the rental~~
6 4 ~~deposit shall deliver the rental deposit to the treasurer of~~
6 5 ~~state for disposition as abandoned property pursuant to~~
6 6 ~~sections 556.9 and 556.11.~~

6 7 Sec. 12. Section 562B.13, subsection 5, Code 2007, is
6 8 amended to read as follows:

6 9 5. A landlord who fails to provide a written statement
6 10 within thirty days of termination of the tenancy and receipt
6 11 of the tenant's mailing address or delivery instructions shall
6 12 forfeit all rights to withhold any portion of the rental
6 13 deposit. If no mailing address or instructions are provided
6 14 to the landlord within ~~one year~~ two years from the termination
6 15 of the tenancy the rental deposit ~~shall revert to is deemed~~
6 16 ~~abandoned under section 556.9 and the landlord and the tenant~~
6 17 ~~will be deemed to have forfeited all rights to the rental~~
6 18 ~~deposit shall deliver the rental deposit to the treasurer of~~
6 19 ~~state for disposition as abandoned property pursuant to~~
6 20 ~~sections 556.9 and 556.11.~~

6 21 EXPLANATION

6 22 This bill relates to the disposition of certain unclaimed
6 23 property that is presumed abandoned by the treasurer of state.

6 24 Code section 331.427 is amended to correspond to changes in
6 25 Code section 331.554 requiring the amounts of checks
6 26 evidencing a county's indebtedness, that are presumed
6 27 abandoned pursuant to Code chapter 556, to be remitted to the
6 28 treasurer of state instead of being retained in the county's
6 29 general fund.

6 30 Code section 331.554 is amended to provide that when a
6 31 check, warrant, or other evidence of a county's indebtedness
6 32 remains outstanding for more than two years, it shall be
6 33 canceled and presumed abandoned pursuant to Code section
6 34 556.8. A person may claim the property by filing a claim with
6 35 the treasurer of state as provided in Code chapter 556. Code
7 1 section 331.554 is also amended to require the county to
7 2 report and remit the amount of such unclaimed property to the
7 3 treasurer of state on or before November 1 of the fiscal year
7 4 ending on the preceding June 30 that the obligation is
7 5 presumed abandoned.

7 6 Code section 556.8 is amended to provide that an amount
7 7 outstanding on a check, warrant, or other indebtedness of a

7 8 county that has remained unclaimed by the owner for more than
7 9 two years from the date of issuance or after becoming due and
7 10 payable, as determined by the county treasurer pursuant to
7 11 Code section 331.554, is presumed abandoned.

7 12 Code section 556.9 is amended to provide that a rental
7 13 deposit made to secure performance of a residential rental
7 14 agreement or a mobile home space rental agreement that has
7 15 remained unclaimed for more than two years after becoming
7 16 payable is presumed abandoned.

7 17 Code section 556.12 is amended to provide that the
7 18 treasurer of state is not required to publish a notice of
7 19 abandoned property concerning any item with a value of less
7 20 than \$100 instead of \$50.

7 21 Code section 556.12 is also amended to provide that the
7 22 treasurer may mail a notice to each person listed in a report
7 23 filed by a holder of unclaimed property at the last known
7 24 address of that person if the treasurer deems such notice is
7 25 in the best interests of that person and has reason to believe
7 26 that the address submitted by the holder of the property is
7 27 sufficient to ensure that delivery of such notice will likely
7 28 occur.

7 29 Code section 556.13 is amended to require the holder of
7 30 tangible property held in a safe deposit box or other
7 31 safekeeping depository to deliver the property to the
7 32 treasurer of state at the treasurer's direction at the same
7 33 time as or after the holder files an abandoned property report
7 34 required under Code section 556.11. Currently, such property
7 35 shall not be delivered to the treasurer until 120 days after
8 1 filing that report.

8 2 Code section 556.20 is amended to provide that the
8 3 treasurer or an employee of the treasurer cannot be held
8 4 liable in any action for any claim paid in good faith,
8 5 although a claimant or other specified person representing a
8 6 claimant to whom a claim is paid may be held liable to a
8 7 person who proves a superior right to the payment.

8 8 Code section 556.20 is also amended to allow the treasurer,
8 9 prior to payment of a claim filed under the chapter, to
8 10 require a claimant or owner of unclaimed or abandoned property
8 11 to furnish a surety bond or other form of indemnification and
8 12 protection determined acceptable and sufficient by the
8 13 treasurer to protect the treasurer and the state against any
8 14 loss, liability, or damage which may arise out of or result
8 15 from the payment of the claim by the treasurer. The claimant
8 16 or owner is responsible for all costs associated with such a
8 17 surety bond, indemnification, or other protection.

8 18 New Code section 556.24A requires the treasurer to maintain
8 19 a public record of the name and last known address of each
8 20 person appearing to be entitled to unclaimed or abandoned
8 21 property paid or delivered to the treasurer pursuant to Code
8 22 chapter 556. The bill also provides that any other
8 23 identifying information set forth in any report, record,
8 24 claim, or other document submitted to the treasurer of state
8 25 concerning unclaimed or abandoned property is a confidential
8 26 record as provided in Code section 22.7 and shall be made
8 27 available for public examination or copying only in the
8 28 discretion of the treasurer. Code section 22.7 is also
8 29 amended to include such records as confidential records for
8 30 the purposes of Code chapter 22.

8 31 Code sections 562A.12 and 562B.13 are amended to require
8 32 the landlord of a residential rental property or a mobile home
8 33 space to deliver an unclaimed rental deposit to the treasurer
8 34 of state for disposition as abandoned property pursuant to
8 35 Code sections 556.9 and 556.11 if no mailing address or
9 1 instructions are provided to the landlord within two years
9 2 instead of one year from the termination of the tenancy.

9 3 LSB 1236XD 82

9 4 av:rj/gg/14.1